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RURAL DEVELOPMENT PROGRAM

NEWS

*"We must open wider the doors of opportunity....
for the good of our country and all our people"*
President Eisenhower

U. S. Department of Agriculture

Washington, D. C.
August 1955



NEWSLETTER WILL REPORT RDP PROGRESS: This is the first issue of a newsletter on progress in the Rural Development Program, aim of which is to "open wider the doors of opportunity" for more farm families. It is written for community, government, and agricultural leaders who are taking part in the program and for the members of interested organizations, representatives of news media, and private citizens who want to keep informed about what is being done.

The newsletter will contain information and ideas important to the people whose efforts will make the Rural Development Program succeed. It should act both as a channel of communication and a means of coordinating a widespread program in which many people take part.

The letter will appear as developments in the program warrant. The Department would like to hear from those who have items of interest to others in the field of rural development, or who wish to comment on the material they find here.

ACTION TO DATE: Late in April, Secretary of Agriculture Benson sent his report, The Development of Agriculture's Human Resources, to the President with a series of recommendations for improving incomes and living standards in low-income rural areas. He presented a picture of the hardship and privation suffered by many families because of inadequate incomes. He pointed out that in 1950 about 1.5 million farm families had cash incomes from all sources of less than \$1,000, and that there are "nearly a thousand counties in the United States where more than half of the farmers are mainly dependent on the income from small, poorly paying farms."

Secretary Benson's recommendations call for increased credit, extension, and technical aid for these small farmers; special research; better education and training for their children; more industrial development in the areas they live in; and the maximum of local initiative and control. He recommended pilot operations in 50 of the 1,000 counties in fiscal year 1956 in order to gain experience for a broadened program.

Since the Secretary's report and recommendations went to the President, the following major actions have been taken:

1. Secretary Benson named Under Secretary True D. Morse as the major Department official responsible for coordination of the program.
2. A committee was formed within the Department with representatives from all agencies directly concerned in the program.
3. An interdepartmental Rural Development Committee was formed consisting of the Under Secretaries and Assistant Secretaries of the Departments of Health, Education, and Welfare; Labor; Commerce; and Agriculture.
4. A bill was passed by Congress to authorize concentrating certain funds for cooperative extension work in areas of low-income farmers.
5. Bills were introduced in the House and the Senate to amend the Bankhead-Jones Farm Tenant Act to permit making loans to part-time farmers. Congress did not act on this legislation.
6. Representatives of the Department of Agriculture and other Federal departments met in Memphis June 7 and 8, with representatives from the Land-Grant Colleges and Universities of 28 States to discuss the Rural Development Program.
7. The Deans of Agricultural Colleges have been asked to outline procedures they plan to use in moving forward with the program. Additional meetings are being called to firm-up State plans.
8. The Southeastern County Development Association met July 20-22. Under Secretary Morse in addressing the meeting said, "Our Nation is deeply indebted to the constructive leadership which has been pressing forward with area development programs. You have pioneered--and shown the way to more prosperity and a fuller life. Now we must challenge the leadership in all areas to become more effective in projecting programs ahead--and then move more vigorously toward new and higher goals."

APPROPRIATIONS: Congress was asked to appropriate \$3 million for work with low-income farmers and to provide \$30 million in lending authority for the Farmers Home Administration for loans to small farmers and part-time farmers.

On June 21, Under Secretary Morse testified on the proposed program before the House Subcommittee. "The modesty of our request," he said, "is not a measure of the size of the problem. Neither is it attributable to a lack of zeal in its solution... The Rural Development Program has in it a substantial element of pioneering and should provide for some scouting before a full-scale project is undertaken. We wish to avoid the errors that come from expanding too rapidly on the basis of limited experience..."

The House Appropriations Committee recommended passage of the proposals submitted by the Department--but floor action took out funds totaling \$380,000 for some research activities--and took out all of the \$30,000,000 of lending authority.

Thus, funds totaling \$2,620,000 for research, education and administrative work in behalf of low-income farmers were approved by the House. But, in the Senate only authority to increase Farmers Home Administration production and subsistence loans by \$15,000,000 was approved along with \$350,000 to administer the additional FHA loan activities. Only the two FHA funds were passed by Congress and are available.

No money was appropriated for the special Extension, Research, Soil Conservation, Marketing and Information services--nor for the proposed 50 pilot operations.

An appropriation of \$1,350,000, requested for the Bureau of Employment Security of the Department of Labor to strengthen that agency's facilities for assisting low-income and part-time farmers in securing available employment opportunities, was also denied by Congress.

PILOT PROGRAMS: As a key part of the work for this year, Secretary Benson recommended "the launching of pilot operations in not less than 50 of the 1,000 low-income counties..."

"Thus practical experience can be gained in a limited number of areas, and those elements of the program which proved most successful can be utilized as the program is broadened. In the pilot operations, efforts will be made to develop the best practical program of action, having in mind the people, the resources, and the whole range of opportunities."

Since no funds were appropriated to finance this special work the original recommendation cannot be fully carried out.

At the Memphis meeting some State leaders said they would carry forward pilot operations regardless of whether additional funds were available. It is the hope that there will be many such programs carried forward within the limits of local resources and funds already available.

The FHA will be able to cooperate with such efforts with the assistance of the \$15,000,000 additional funds provided for production and subsistence loans.

VOCATIONAL TRAINING: Another part of the program is: "Request the Department of Health, Education and Welfare to encourage the States to expand vocational training in areas of low income, instituting as many as 12 pilot operations during the school term starting in the fall of 1955 in order to gain experience needed for broad expansion of this extremely vital part of the total program."

This calls for State and local action. Doors must be opened for youth of low-income farm families to get more vocational training. Without this opportunity they start life with a handicap which may never be overcome. Industries and businesses are penalized for lack of well trained workers--and the whole Nation suffers along with the local communities.

We are a great industrial Nation--86.5 percent of the people are not on farms. As youths move into the offices and factories of the Nation, they must be better educated and have training in trades and skills.

An executive of a large company reported that in seeking a location for a new factory, "we turned our search to communities which had not yet been industrially developed, but which offered good vocational training which would assist us in developing the needed skills".

A new school year is just ahead. The leadership of every community should review the extent to which their schools will this year be doing a better job of giving youth the training needed in our mechanized and largely industrial nation. The question should be asked, "Will our vocational training help attract industries--or cause us to be passed by?"

Whether youths remain on farms or leave for other employment--they need more vocational training.

ORGANIZING FOR THE PROGRAM: At the Memphis conference, a working group discussed the kind of organization that would permit effective coordination of the Rural Development Program and encourage action.

The two committees at the Federal level, one within the Department of Agriculture and one of representatives from Federal departments concerned in the program, will continue to function.

It was suggested that each State set up a committee of agencies servicing agriculture to coordinate operations and advise on them. The Dean of the School of Agriculture of the Land-Grant College or the person to whom the directors of extension and the experiment station report would take the lead. As first action, he might call together representatives of agencies or organizations that can contribute to the program. These representatives would elect officers and expand membership in the committee to include other organizations, if necessary.

The Memphis working group suggested that these State advisory committees might help in the determination of leadership in the county programs. The county leader would arrange for a meeting of representatives of local agencies and organizations.

Instead of describing detailed methods of coordinating the Federal, State, and local phases of the Rural Development Program, the Memphis working group cited three basic concepts: Local people should take the initiative in making decisions. The agency people should fit their operations to the actions of local groups. There should be broad general understanding of the role of each agency in this program.

LOCAL LEADERS COMMENT: Since information on the proposed Rural Development Program was made public, many local leaders have written to Members of Congress and to Secretary Benson and Under Secretary Morse about the program and the need in their communities for the kind of cooperative effort described. Here are some excerpts from typical letters:

The executive vice-president of a community development association in West Virginia--"Your new plan is down the center line of exactly what we have been striving to do for the part-time farmers in this distress labor area... One of our objectives is to achieve a pooling of resources in particular areas so such farmers can manage the equipment and fertilization necessary to build them up into satisfactory profits. All this is tied in with an over-all land use plan for the county."

A school superintendent in Arkansas--" ...we are already on the way doing many of the things the report to Congress suggests, we have the technical know-how to do some of these things, but we need some help..."

The secretary of the Chamber of Commerce in a Michigan town--"There are many people living on farms in this area who are well prepared and adapted to the rural life. With modern machinery, they can operate their farms with time to spare. If there was some sort of industry centrally located where it could be reached easily, these people could do a good job of producing in such industry along with their farm operations and their standard of living could be improved immensely."

THE ROLE OF HEW: The Department of Health, Education and Welfare is planning to coordinate its programs with those of the USDA and the Departments of Commerce and Labor in rural counties where there are Development Programs. Vocational education, public assistance, public health, and rehabilitation of the disabled all will be used as the situation warrants. The expansion of old age and survivors insurance coverage to farm operators and farm workers is, of course, a program in which interdepartmental cooperation also will continue to be carried forward.

INFORMATION AVAILABLE: The Department has material available for distribution that provides background information on low-income farming in the United States and on the Rural Development Program:

1. The Development of Agriculture's Human Resources, the 43-page report of Secretary Benson giving information on the problem and a detailed discussion of possible action.
2. Low-Income Farm People, a list of selected books, pamphlets, bulletins, and periodicals on low-income farming.
3. Summary of discussions at the Memphis conference on rural development.
4. Testimony before the House Subcommittee on Agricultural Appropriations and copies of addresses on the subject.
5. List of counties in generalized low-income areas.

If you wish any of this material, write the Office of Information, U. S. Department of Agriculture, Washington 25, D. C.

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